



Mishawaka Communicator



Working together to build the "Best Hometown in America" by delivering exceptional services, promoting safe and clean neighborhoods, elevating the quality of life, and inspiring pride in our community.

Dave Wood, Mayor

www.mishawaka.in.gov

April 2014

A Letter from Mayor Dave Wood



New rates for Mishawaka Electric Utility have been in place for a couple of months now, having gone into effect right when the worst of this year's winter weather arrived. Since then many questions about the rate increase have been received at the Utility Office and City Hall...so many, in fact, that it would be helpful to review what has been accomplished with the new electric rates. I asked Jim Schrader, General Manager for Mishawaka Utilities, to summarize some of those accomplishments and hopefully, answer some questions you may have.

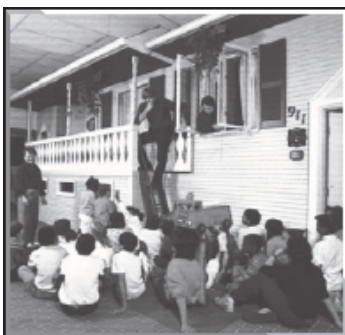
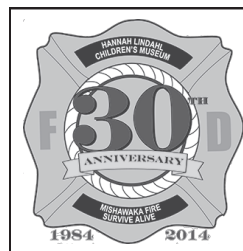
Mayor Dave Wood

If you have heard or read any of the discussions regarding the new rates you know that Mishawaka had not increased their base electric rates since 1993. This was possible due in large part to growth in the City of Mishawaka. That's not to say your electric bill hasn't gone up in over twenty years. In fact, due to the Tracker line on the bill, you are paying a lot more today than you were twenty years ago. The Tracker was the way the Indiana Utility Regulatory Commissions (IURC) approved the pass-through of increases in the cost of purchasing the electricity Mishawaka then would sell to its customers. It is called a pass-through because any money collected from the customer via the Tracker passes through Mishawaka Utilities and goes entirely to I&M.

When the City Council was asked to change the electric rates, the goal was to accomplish two things. First, increase revenues to provide funds to pay for (continued on next page)

Survive Alive House Celebrates 30 Years

On Saturday, May 17th at 1:00-5:00pm, the community of Mishawaka will come together to celebrate 30 years of teaching fire safety at Hannah Lindahl Children's Museum, Survive Alive at 1402 S. Main Street. The event will be an open house that is free and open to the public. Families are invited to tour the museum, play games, win prizes and learn about fire safety from the Mishawaka Fire Department.



The Survive Alive House was first envisioned in 1984. It was the first permanent structure dedicated to teaching kids fire safety in the state of Indiana. Its mission has been to give kids the tools that they need to escape a burning house safely and the confidence to make good choices if they were faced with this dangerous situation.

Survive Alive tours are lead by Mishawaka Fire Fighters for ages 1st grade through 5th grade. In an average year, over 60 tours are given reaching more than 1,800 school age children. It is estimated that over 50,000 children have received fire safety training through the Survive Alive House.

For more information about this event, please call Hannah Lindahl Children's Museum at 574-254-4540 or email director@hlcm.org.

Spring

UPCOMING EVENTS!

- | | |
|--------|---|
| Apr 25 | Arbor Day Celebration; 10am Normain Park |
| Apr 28 | Beutter Park 5K Run / Fun Walk |
| May 17 | Relay for Life |
| Jun 28 | Summerfest 5K Run/Walk
(new course layout and RFID timing) |

ONLINE ACCESS

The City of Mishawaka maintains an online presence and can be found on the web at <http://mishawaka.in.gov>.

Find us on Facebook at <http://facebook.com/cityofmishawaka>

Remember, the current issue of the Mishawaka Communicator is always available as of the 1st of every month at <http://mishawaka.in.gov/communicator>

A Letter from Mayor Dave Wood *(continued)*

the current costs of running the Electric Department. These costs, which include labor, insurance, maintenance expenses and the replacement of old equipment, had been funded by the Electric Department using the same rates for over twenty years. The second goal was to eliminate the Tracker. While we could not have survived financially the last twenty years without the Tracker, its usefulness had come to an end. Every 90 days, for the last twenty years, the Tracker changed and these changes had become too large and unpredictable. Because of Tracker changes over the last 12 months there have been times where customers have seen their bills go up substantially when they didn't use any more electricity. Conversely, customers could have decreased the amount of electricity used from one month to the next and still see their bill increase.

Because of the changes in the Tracker over the last twelve months it is hard to compare bills to see how much the new rates have impacted your bill. You have heard Mishawaka Utilities say the increase is less than 14% for residential customers. If you use the old base rates and the average Tracker to make the calculation you see an increase of less than 14%. Because the Tracker changes so much from quarter to quarter if you don't take the average Tracker you could see an increase greater or less than the 14%.

Now that the new rates are in place the Electric Department will have the funds they need to operate and to continue to provide the safe, reliable service you have come to expect. Also, you will no longer see a Tracker line on your monthly bill. With the Tracker gone, if your electric bill should go up or down it will only be because of changes in the amount of electricity you use from month to month.

I&M will continue to change the amount Mishawaka Utilities pays for electricity every quarter. Throughout the year Mishawaka Utilities will absorb those changes without passing them through to our customers. Once a year Mishawaka Utilities will meet with I&M to determine how the cost of electricity will change for the upcoming year. If those cost increases are more than the Electric Department can absorb there will be a one-time adjustment of rates in June. "How is this different from the Tracker," you may ask? The best answer is that while both the Tracker and the proposed once-a-year adjustment address changes in the cost of buying wholesale power from I&M, the new once-a-year adjustment will be based on I&M's rate changes for the upcoming year. Unlike the Tracker, it will not try to reconcile estimates of I&M's rates to actual rates and true up estimates of I&M's fuel costs as those costs fluctuate from month to month. These reconciliations and true ups were the primary reasons for the Tracker's volatility from quarter to quarter. This new process will keep the Department financially strong, ensure great service and will eliminate the confusion and financial uncertainty the Tracker created.

On behalf of Mishawaka Utilities I want to say that we appreciate all our Utility customers and we remain committed to providing you world class service and the lowest possible cost.

Very truly yours,

Jim Schrader
General Manager,
Mishawaka Utilities

Saturday - April 26, 2014

<http://mishawaka.in.gov/beutterpark5k>



First Annual
**MISHAWAKA
BEUTTER PARK**
Police, Fire, Parks Department
2014 5k Run/Fun Walk



Saturday - June 28, 2014

<http://mishawaka.in.gov/summerfest>